

WOLVERHAMPTON CLINICAL COMMISSIONING GROUP

Finance and Performance Committee

**Minutes of the meeting held on 31st January 2017
Science Park, Wolverhampton**

Present:

Mr P Price	Independent Committee Member (Chair)
Mr J Oatridge	Independent Committee Member
Dr Bush	Governing Body GP Finance and Performance Lead
Mrs C Skidmore	Chief Finance and Operating Officer
Mr M Hastings	Associate Director of Operations

In regular attendance:

Mrs L Sawrey	Deputy Chief Finance Officer
Mr G Bahia	Business and Operations Manager

In attendance

Ms A Nixon	Interim Senior Contracts Manager
Mrs H Pidoux	Administrative Team Manager
Ms C Armstrong	Administrative Support Officer
Ms E Reade	Performance Support Officer

1. Apologies

Apologies were submitted by Mr Marshall and Mr Middlemiss.

2. Declarations of Interest

FP.16.122 There were no declarations of interest.

3. Minutes of the last meetings held on 29th November 2016

FP.16.123 The minutes of the last meetings, public and private sessions, were agreed as a correct record.

4. Resolution Log

FP.16.124

- Item 95 (FP.16.105) – Explanation of £2.3m movement in receivables to be circulated to Committee members – this error was due to the use of the wrong code, which has been corrected. An explanation was circulated to Committee members – action closed.
- Item 96 (FP.16.116) – Mrs Skidmore to be asked to raise with the Interim Accountable Officer writing to RWT stating that the CCG will

not reimburse for any activity over and above 92% and for a response to be requested – Interim Accountable Officer wrote to the RWT Chief Executive. No formal response had been received however this was captured as part of Year End negotiations – actions closed.

- Item 97 (FP.16.116) – Mr Hastings to review possibility of an enhanced service or incentive scheme for acute activity – the use of Choose and Book was considered, however, it was felt that this should be included in risk stratification work. The use of Quality Premium money to be considered, however, it was noted that this is non-recurrent and therefore financial support cannot be given recurrently to practices as an incentive – action closed.
- Item 98 (FP.16/118) – Mr Middlemiss to check if Safeguarding e-learning has commenced at BCPFT – this commenced in November 2016 and is due to be completed by end of January 2017. Updates and new starter training will be given as required – action closed.

5. Matters Arising from the minutes of the meeting held on 29th November 2017

FP.16.125 There were no matters arising from the previous minutes.

6. Finance Report

FP.16.126 Mrs Sawrey reported on the Month 9 financial position, stating that whilst financial targets have been achieved, there is no flexibility in the financial position. The utilisation of the Contingency Reserve is required to achieve the target position leaving little cover for any deterioration in position. The Year End settlement agreed with RWT has slightly worsened the recurrent position.

The target for QIPP for 16/17 is £11.26m. A thorough Q3 review identified a level of double count in QIPP delivery particularly in Prescribing/Scriptwitch as a result of the reporting process. Figures have been amended and the opportunity for this to occur again has been removed.

An update relating to receivables and payables over 90 days old was given as follows;

- £241k, relating to an invoice raised to NHS England (NHSE) for a recharge for specialised services activity. A 50/50 split has been agreed with NHSE in final settlement of the charge.
- £88k relating to CHC recharge invoices raised against Wolverhampton City Council (WCC). PO's have been received for £60k.

- £63k relating to 2 invoices raised to MLCU for IT recharges. This has been agreed with a difference of approximately £3k and a partial credit will be made.
- Payables include £556k relating to invoices from NHS Property Services (NHSPS). The CCG continues to try to resolve this. Mrs Skidmore noted that there are two separate issues, first is the outstanding debt relating to charges from previous years and second is a problem in recognising charges levied for market rent uplifts from poor information provided. Mr Oatridge offered to raise this at the Audit Chair's conference on 7th March if it is felt this was necessary as this has previously been discussed at this forum. Mrs Skidmore agreed to contact Mr Oatridge if this was required.

It was noted that a semi hard close had occurred at the end of Month 9 and that there were no issues to raise with the Committee following this.

Mr Price raised a query regarding the general underperformance of General Surgery and T&O and whether there was a potential to use other providers. Mr Hastings explained that a demand management programme of referral diversion is underway. This has looked at diversions at first point of contact (general practices) and reviewed a list of patients on the waiting list at RWT that could be moved to the private sector within affordability limits. Nuffield activity has been reallocated within the contract value and in line with the POLV policy.

A query was raised relating to the underspend in running costs in Quality and Safeguarding. It was clarified that this related to vacant admin roles which have now been filled. There was no clinical risk attached.

Resolved: The Committee;

- Noted the contents of the report and the current position.
- Noted the risks inherent in the financial position presented
- Mrs Skidmore to contact Mr Oatridge if there is a need to raise issue with NHSPS invoices at the Audit Chair's Conference in March.

7. Performance Report

FP.16.127 Mr Bahia highlighted that of the indicators for Month 8, 40 are green rated, 25 are red rated, 27 have no submissions and 2 are awaiting target.

The following key points from the report were discussed;

- RTT - continues to fail to meet headline. As discussed earlier in the meeting demand management plans relating to referral diversion are being implemented. Remedial Action Plans are in place at a speciality level. As reported at the November Committee meeting, the CCG sent a letter in support of the Trust appeal relating to the non-achievement of the Sustainability and Transformation Fund (STF) trajectory for quarter 2. It was noted that RWT won the appeal and have received additional funding.

It was reported that assurance is taken that waiting list data is correct as cleansing has been carried out also revalidation is done both centrally and within divisions.

- Concerns were raised regarding the decline in performance relating to referral to a diagnostic test. The Trust has reported that this is due to an increase in referrals for ECGs. Additional sessions have been added to address the issue. As this is not part of the STF, sanctions can be implemented and if target is not achieved in January RAPs will be put in place. This and the reason for the increase in referrals will be discussed at the next CQRM.
- A&E – although target has been missed in line with the STF trajectory, performance has improved year on year and the trust is performing well nationally.

The A&E Delivery Board continues to assess the issue and identify areas of concern and how to improve. It was raised that the numbers of people going through A&E are not increasing materially and there appears to be a system issues with ambulances. Ambulance batching is creating system pressures.

- 62 day cancer waits – performance has dropped and is below trajectory and against STF target. It is anticipated that the position is likely to remain static. Additional clinics for Urology at weekends have been introduced. As this indicator is part of the STF the CCG does not have any sanctions. Regular updates are reported to NHSE.
- Waits over 52 weeks for incomplete pathways – the majority of cases relate to Orthodontics. An action plan has been developed and the Trust is currently ahead of trajectory.
- Delayed Transfers – the majority of delays relate to BCPFT and numbers follow the same trend as last year. This is both a local and national problem. This is an on-going issue and efforts continue to resolve it.
- C Diff – This indicator is regularly breached, however, there is a reduction in numbers in quarter 3. Work is on-going by the Trust to address this.

- Handover breaches over 30 minutes – significant increase in December which is similar to the same time the previous year. However, comparatively performance is good.
- Safeguarding – failure to achieve thresholds for specific indicators as detailed in the Safeguarding Dashboard – this target continues to breach and a RAP is in place covering levels 3 and 4. High levels of sickness and turnover have affected staff availability to attend training sessions. It was agreed to bring a breakdown of the levels 3 and 4 achievement to next meeting.

Discussion took place regarding how and what information should be reported to the Governing Body. It was suggested that the following should be considered for future reports;

- where a provider is not hitting target or making progress towards this and is a risk to the CCG this should be reported to the Governing Body.
- the report should follow the agenda of the monthly performance call with NHSE with local issues included
- show where remedial action plans are in place
- include the outcomes of the contract review meetings
- highlight where support is required from the Committee and Governing Body to escalate

Consideration was also given to how to highlight comparisons of performance last year against the current year.

Resolved: The Committee

- Noted the content of the report
- Agreed to support the future structure and format of reporting to the Governing Body as discussed above.
- Breakdown of achievement of Level 3 and 4 Safeguarding training to be included in next report

8. Monthly Contract and Procurement Report

FP. 16.128 Ms Nixon presented this report based on Month 8 and highlighted the following key points;

- CQUIN – partly fulfilled for Quarter 2, further work needed in Quarter 3 to achieve. Sanctions have been applied for non-achievement.

Year to date sanctions total £214,650 as at Month 7. This excludes any sanctions pertaining to A&E, Cancer 62 day waits and RTT, which are subject to the STF process.

It was noted that an agreed approach for a 'Risk and Gain Share' in order to address the commonly share financial challenges and that aims

to prevent financial destabilisation of the health and social care economy as a whole formed part of the agreed contract.

Ms Nixon highlighted that in the report the Committee was asked to support the recommendation to enable WCC to become an associate commissioner to the contract the CCG holds with BCPFT following discussions at Commissioning Committee in January. She stated that the Commissioning Committee had asked for a paper to be submitted to the February meeting for discussion. The outcome of this would be brought back to the Finance and Performance Committee.

The Procurement Policy is currently subject to internal consultation and will be shared with the Committee when this is complete.

Resolved – The Committee:

- noted the contents of the report and actions being taken.

9. Finance Plan and Budget for 2017/18

FP.16.129 Mrs Skidmore gave an overview of the latest plans for 2017/18-2018/19 and the risks contained with the final position. The key elements considered were;

- Significant financial challenges including within the health economy for providers and local authority. Increase in demand is leading the need for joint working
- The plan has been developed in adherence to the 2017/19 planning rules
- STP wide assumptions have been applied for growth and inflation
- As all the major contracts have been signed already this gives confidence in the figures contained in the Long Term Finance Model and Plan.
- The allocation for HRG4+ is £3m short of the full impact in the plan. This cost impact is driving the high QIPP figure.
- The CCG considers costs associated with HRG4+ and IR to be recurrent and such as treated them as this in the LTFM. The actual impact of the adjustments is considerably different to the allocation received and this is being challenged.
- The IR allocation is materially different to the CCGs anticipated cost pressure and the team continue to pursue this with NHSE.

It was discussed that the main challenge and risk is the scale of QIPP target of £12.1m. Programme Boards continue to develop and agree schemes to deliver the target as there is currently a gap of approximately £3m where there are no plans identified. Mr Price queried whether there was a realistic timeframe for identifying ways of achieving the unidentified QIPP. It was felt that this may take some time, however, more information would be known after the next Programme Board meetings. The outcome from this will be reported to the QIPP Board and in future reports to this Committee.

The impact of full delegation of Primary Care to the CCG on 1st April 2017 was highlighted as no additional money will be received to support the increase in staff time to manage this area and work is underway to identify what is required to deliver future work agendas. It was agreed that these risks should be highlighted to the Governing Body.

Whilst the CCG financial plan for 2017/18 meets all the planning requirements and can withstand the mitigation of a certain level of risk there are still a number of variables that, without their resolution, place undue additional risk on the position that may make it undeliverable. In summary these are;

- Scale of the QIPP target given that an element is yet to be attributed to specific schemes.
- IR presents a large risk to the CCG

Mrs Skidmore stated that she is now in a position to ask the Committee to consider recommending to the Governing Body to sign off the budget at the Governing Body meeting due to be held on 14th February and fully appraise them of the risks inherent in doing so.

Resolved – The Committee,

- noted the content of the report
- noted the level of financial risk associated with the proposed 2017/18 budgets
- recommends to the Governing Body that it signs off the budget, noting the inherent risk and supporting the CCG's Executive Team to continue to pursue avenues to close the QIPP gap and therefore reduce financial risk.

10. Planning for 2017-2019

FP.16.130 Mr Bahia gave an overview of the 2017-19 planning submissions which have been made by the CCG to NHSE.

It was noted that contracts were signed off and plans submitted by the 23rd December 2016 deadline.

Included with the report for information were the submitted monthly activity plans, summary level activity plan and Operational Plan. The Contract Tracker was also included.

The Committee recognised the amount of good work which had gone into achieving the deadline.

Resolved: The Committee;

- Noted the planning submissions made
- Took assurance on the quality and financial considerations which have been taken into account during the planning round.

- Recognised the good work of all those involved.

11. Any Other Business

FP.16.131 There were no items raised under any other business.

12. Date and time of next meeting

FP.16.132 Tuesday 28th February 2017 at 3.15pm, CCG Main Meeting Room

Signed:

Dated: